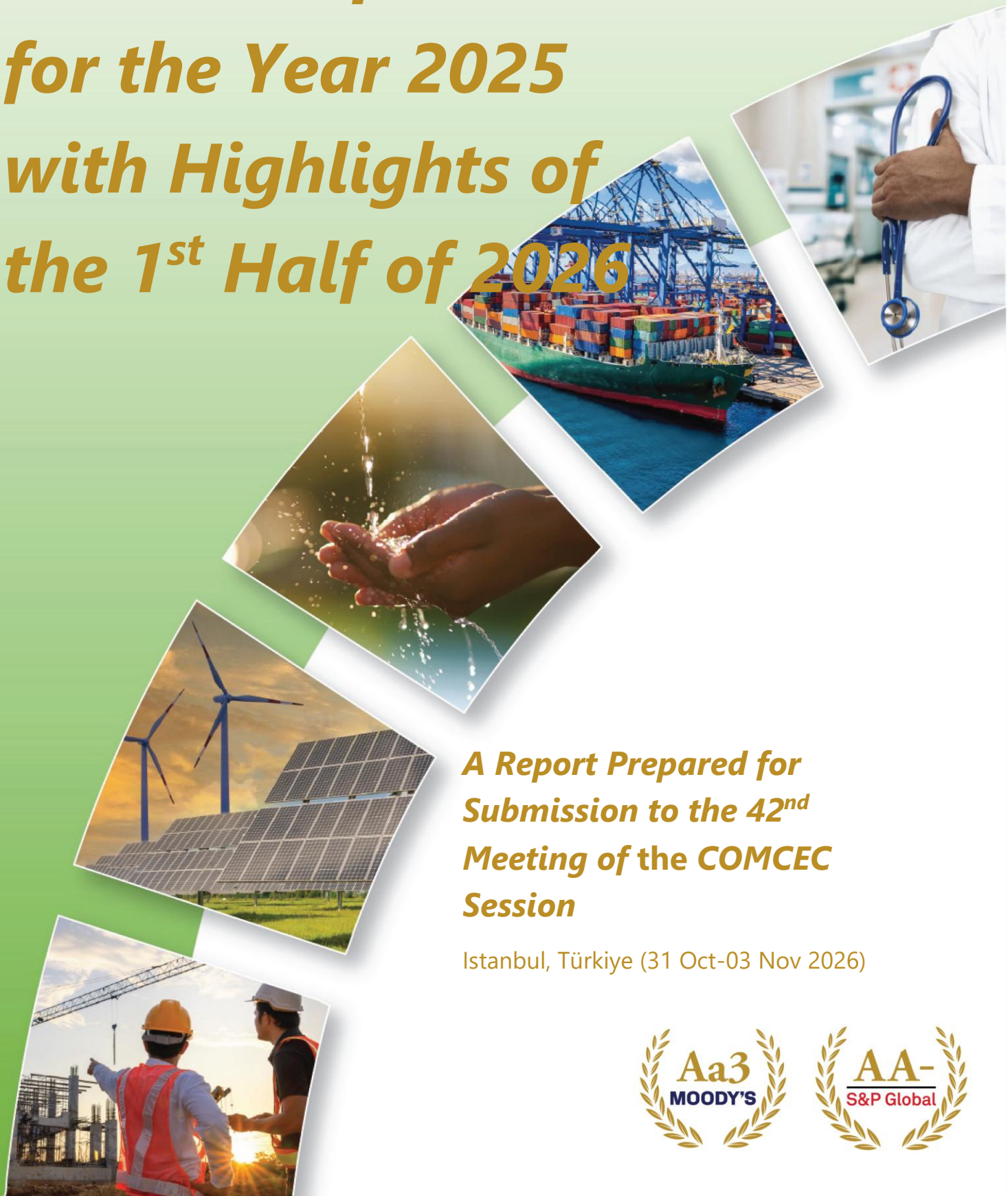
ICIEC | THE ISLAMIC CORPORATION FOR THE INSURANCE OF INVESTMENT AND EXPORT CREDIT

IsDB
مجموعة البنك الاسلامي للتنمية
Islamic Development Bank Group

ICIEC's Performance for the Year 2025 with Highlights of the 1st Half of 2026



A Report Prepared for Submission to the 42nd Meeting of the COMCEC Session

Istanbul, Türkiye (31 Oct-03 Nov 2026)

Aa3 MOODY'S

AA- S&P Global

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01 ABOUT ICIEC

Established in 1994 as a member of the IsDB Group, ICIEC is the world's only Islamic multilateral insurer, providing Shariah-compliant credit and PRI solutions that promote trade and investment globally and among its 51 Member States. The Corporation has an authorized capital of Islamic Dinar (ID) 1.5 billion and maintains strong international credit ratings of Aa3 with a stable outlook from Moody's and AA– with a stable outlook from S&P.

Vision

To be recognized as the preferred enabler of trade and investment for sustainable economic development in Member States.

Mission

To facilitate trade and investment between Member States and the world through Shariah-compliant risk mitigation tools.

Mandate

To promote cross-border trade and investment in Member States through Shariah-compliant risk mitigation and credit enhancement solutions for exporters, investors, and suppliers of strategic goods.

Offering

Providing a suite of insurance and reinsurance products, including investment insurance, export credit insurance, and credit enhancement, tailored to support diverse economic sectors.

Shareholders

ICIEC proudly welcomes the Republic of Sierra Leone as its 51st Member State, marking a new milestone in fostering sustainable trade and investment. This accession reflects the growing confidence of Member States in ICIEC's mandate and its role in supporting inclusive economic growth through effective risk mitigation solutions.

With the valuable support of its shareholders, ICIEC has built a strong and enduring platform to support trade and investment across its Member States. Over time, this has translated into sustained business results and meaningful development outcomes.

Shareholder	% of subscribed capital
IsDB	31.83%
Kingdom of Saudi Arabia	29.90%
Arab Republic of Egypt	6.67%
Islamic Republic of Iran	4.98%
State of Kuwait	3.74%
United Arab Emirates	3.74%
kingdom of Morocco	2.49%
Republic of Türkiye	2.49%
Kingdom of Bahrain	1.88%
Republic of Kazakhstan	1.44%
Malaysia	1.36%
Islamic Republic of Pakistan	1.25%
Federal Republic of Nigeria	1.09%
State of Qatar	1.06%
State of Libya	0.75%
Republic of Tunisia	0.51%
Burkina Faso	0.48%
Republic of Sudan	0.37%
Hashemite Kingdom of Jordan	0.25%
People's Republic of Bangladesh	0.25%
Republic of Iraq	0.25%
Republic of the Gambia	0.25%
Sultanate of Oman	0.25%
People's Democratic Republic of Algeria	0.21%
Republic of Yemen	0.21%
Islamic Republic of Mauritania	0.12%
Republic of Benin	0.12%
Republic of Côte d'Ivoire	0.12%
Republic of Maldives	0.12%
Republic of Mali	0.12%
Republic of Mozambique	0.12%
Republic of Niger	0.12%
Republic of Senegal	0.12%
Republic of Togo	0.12%
Republic of Uganda	0.12%
Republic of Indonesia	0.11%
Republic of Lebanon	0.11%
Republic of Turkmenistan	0.11%
Brunei Darussalam	0.05%
Republic of Albania	0.05%
Republic of Azerbaijan	0.05%
Republic of Cameroon	0.05%
Republic of Chad	0.05%

Republic of Djibouti	0.05%
Republic of Gabon	0.05%
Republic of Guinea	0.05%
Republic of Sierra Leone	0.05%
Republic of Suriname	0.05%
Republic of Uzbekistan	0.05%
State of Palestine	0.05%
Syrian Arab Republic	0.05%
Union of Comoros	0.05%

Performance highlights

Business insured

	Since inception (USD)	In 2025 (USD)
Investment	31.1 billion	5.9 billion
Trade	107.8 billion	11.9 billion

Business insured by region

	Since inception		in 2025	
	(%)	(USD)	(%)	(USD)
Africa	31.7%	44.0 billion	34.3%	6.1 billion
Asia	49.2%	68.4 billion	53.3%	9.5 billion
Europe	14.8%	20.5 billion	9.6%	1.7 billion
Americas	3.7%	5.2 billion	2.76%	0.5 billion
Oceania	0.6%	0.8 billion	0.04%	7 million

Development results

	Since inception (USD)	In 2025 (USD)
Intra-Organization of Islamic Cooperation (OIC) Trade Insured	55.74 billion	7.72 billion
Intra-OIC investments insured	10.49 billion	1.57 billion
Investment insured in Least Developed Country (LDC)/Low-Income Country (LIC) Member States	7.37 billion	781 million
Exports insured from LDC/LIC Member States	526 million	----
Agriculture support provided	1.98 billion	0.21 billion
Energy support provided	62.35 billion	10.15 billion
Infrastructure support provided	7.76 billion	0.59 billion
Manufacturing support provided	33.46 billion	1.45 billion
Health sector support provided	3.48 billion	0.36 billion

02 BUSINESS PERFORMANCE AND DEVELOPMENT IMPACT

ICIEC's business performance and development impact are closely linked through its role in facilitating trade and investment across Member States. This chapter outlines key operational results and the ways in which ICIEC's interventions contribute to sustainable economic development.

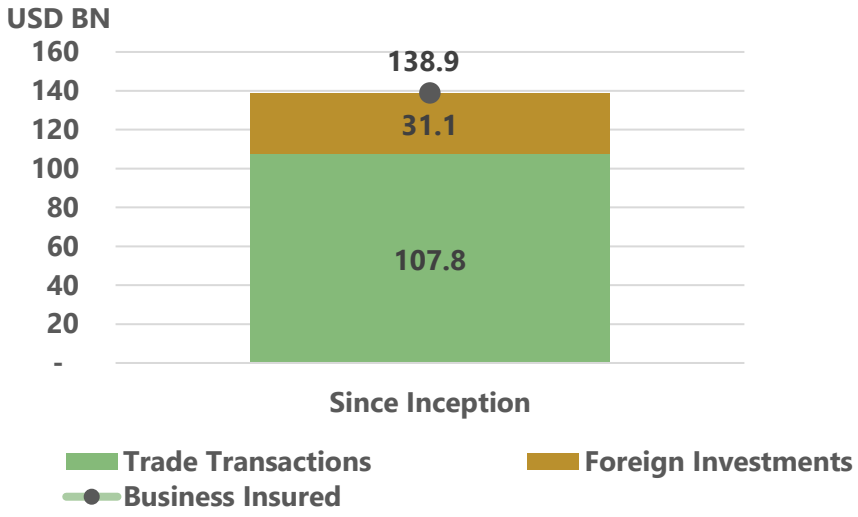
2.1 Operational performance overview

In 2025, ICIEC delivered strong operational performance, with solid growth across its core business activities despite a challenging global and regional environment. Performance during the year was underpinned by the successful execution of several significant transactions, contributing to a more balanced and resilient portfolio.

Performance since inception

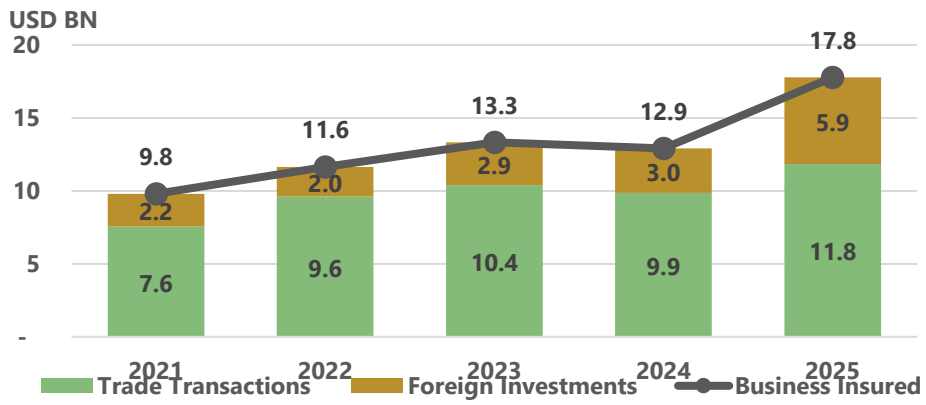
Since its inception, ICIEC has supported total Business Insured of USD 138.9 billion, comprising USD 107.8 billion in trade transactions and USD 31.1 billion in foreign direct investment, reflecting the sustained scale and breadth of its insurance operations across Member States.

Figure 1: Business Insured Since Inception



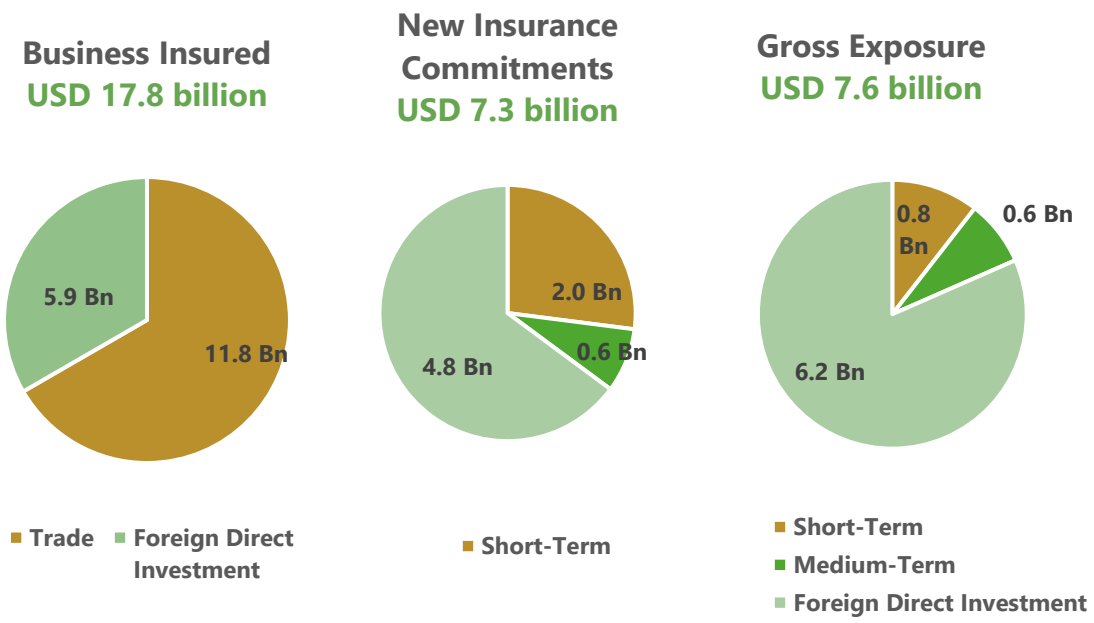
Business insured over the last 5 years

Figure 2: Business Insured, 2021-2025



Key highlights for 2025

Figure 3 - 2025 Business insured overview



2.2 Operational performance in 2025

This section provides a detailed analysis of the Corporation's performance in 2025 compared with the same period in 2024, covering key business, exposure, and claims indicators. The analysis highlights year-on-year movements across business lines and explains the main drivers of performance during the reporting period.

Table 1: Summary of ICIEC's Key Performance Indicators, 2025 versus 2024

	2025 (USD million)	2024 (USD million)	YoY Change (%)
Business Insured	**17,777.9**	**12,904.9**	**+37.8%**
Short-term	10,809.0	9,315.4	+16.0%
Medium-term	1,023.9	543.9	+88.3%
Investment Insurance	5,945.0	3,045.6	+95.2%
New Commitments	**7,334.1**	**5,331.3**	**+37.6%**
Short-term	2,012.2	2,330.2	-13.6%
Medium-term	551.5	616.1	-10.5%
Investment Insurance	4,770.4	2,385.0	+100.0%
Gross Exposure	**7,567.6**	**5,811.0**	**+30.2%**
Short-term	794.8	1,210.9	-34.4%
Medium-term	577.0	904.4	-36.2%
Investment Insurance	6,195.8	3,695.6	+67.7%

Business insured

Business Insured (actual utilization of insurance commitments) for the year 2025 reached USD 17.8 billion compared to USD 12.9 billion in the same period last year. This represents an increase of 37.8% compared to the same period last year.

In terms of growth in the three business lines compared to the same period last year, the short-term business insured increased by 16.0% from USD 9.3 billion to USD 10.8 billion, and the combined medium-term and Foreign Investment Insurance increased significantly by 94.2% from USD 3.6 billion to USD 7.0 billion.

The portfolio-mix of Business Insured for the year 2025 was composed of 60.8% short-term (ST), 5.8% medium-term (MT), and 33% Foreign Investment Insurance (FII), compared to 72.2%, 4.2%, and 23.6%, respectively, during the same period last year.

New Commitments

New Commitments (new insurance approvals) for the year 2025 reached USD 7.3 billion, compared to USD 5.3 billion in the same period last year, registering an increase of 37.6%.

For the year 2025, the New Commitments were distributed across the various lines of business as follows: ST represented 27.4% or USD 2.0 billion, MT represented 7.5% or USD 551 million, and FII represents 65.0% or USD 4.8 billion, whereas their distribution during the same period last year was 44.7% or USD 2.3 billion for ST, 11.6% or USD 616 million for MT and 44.7% or USD 2.4 billion for FII.

Exposure

The Gross Exposure at the end of the year 2025 stood at USD 7.6 billion compared to USD 5.8 billion at the end of the same period last year, reflecting an increase of 30.2%. The breakdown of the Gross Exposure into ST, MT, and FII is USD 795 million, USD 577 million, and USD 6.2 billion, respectively.

The portfolio-mix of the Gross Exposure, in terms of business lines for the year 2025, has shifted toward FII compared to the same period last year, where the share of ST decreased from 20.8% to 10.5%. The share of MT also decreased from 15.6% to 7.6%, and the share of FII increased from 63.6% to 81.9%.

The Net Exposure at the end of the year 2025 increased by 18.5% compared to the end of same period last year and it stood at USD 1.6 billion. It represents 20.5% of the total Gross Exposure, reflecting a reinsurance cession (transfer to International Reinsurers) of USD 6.0 billion or 79.5% of the total Gross Exposure. At the end of the same period last year, the Net Exposure stood at USD 1.3 billion, which represented 22.6% of the Gross Exposure, reflecting a reinsurance cession of USD 4.5 billion or 77.4%.

The Net Exposure at the end of the year 2025 was distributed among the three lines of business as follows: USD 313.3 million in ST or 20.2%, USD 143.1 million in MT or 9.2%, and USD 1.1 billion in FII or 70.6%.

Claims

In 2025, ICIEC paid out gross claims totaling USD 6.95 million, marking a significant increase from the USD 4.1 million in claims paid during 2024. The net claims paid by ICIEC amounted to USD 2.25 million, compared to USD 1.50 million in 2024.

- The breakdown of the claims is as follows: USD 0.26 million (ICIEC Net: USD 0.08 million) relates to claims under direct business, while the remaining USD 6.69 million (ICIEC Net: USD 2.17 million) pertains to claims arising from business under ICIEC's fronting policies and inward reinsurance arrangements.

- This represents an increase of approximately 70% in gross claims from 2024 to 2025 and a 50% increase in ICIEC's net claims during the same period.

Recoveries

ICIEC achieved notable success in recoveries during 2025, with a total of USD 2.16 million recovered (ICIEC Net Share: USD 1.52 million). This recovery was made through direct business, fronting, and inward reinsurance arrangements and includes an adjustment of USD 0.18 million, which was applied to the recovery under ICIEC's direct business.

- This reflects a remarkable increase in total recoveries from USD 1.1 million in 2024 to USD 2.16 million in 2025, representing an approximate 96% increase.

- The ICIEC Net Share recoveries rose by approximately 167%, from USD 0.57 million in 2024 to the USD 1.52 million recorded in 2025.

Advancing the Sustainable Development Goals

ICIEC continues to position sustainable development at the core of its mandate, ensuring every intervention delivers tangible socioeconomic, environmental, and institutional value for its Member States. By embedding the United Nations Sustainable Development Goals (SDGs) into its operational framework, ICIEC transforms risk mitigation into a strategic enabler of development impact. Its cumulative support since inception demonstrates a sustained commitment to food security, healthcare, energy access, economic growth, climate resilience, and strong global partnerships. The 2025 project portfolio further reinforces this commitment, showcasing practical examples of how ICIEC's guarantees and insurance solutions mobilize private capital, strengthen critical infrastructure, enhance financial inclusion, and improve resilience in vulnerable economies. Through collaboration with MDBs, Export Credit Agencies (ECAs), commercial banks, and regional partners, ICIEC continues to expand the developmental reach of its operations, directly contributing to Member States' progress toward the global 2030 Agenda.

Table 2: How ICIEC has contributed to the achievement of the Sustainable Development Goals

SDG (Goal number)	Support provided (2015-2025)	SDG (Goal number)	Support provided (2015-2025)
2 ZERO HUNGER	Supported over USD 1.3 billion in trade and investment in the agricultural sector.	8 DECENT WORK AND ECONOMIC GROWTH	Insured over USD 15.84 billion for imports, exports and outward and inward investment in low-income Member States and USD 2.7 billion for labor-intensive industries
3 GOOD HEALTH AND WELL-BEING	Insured upwards of USD 3.47 billion in trade and investment in the health sector.	9 INDUSTRY, INNOVATION AND INFRASTRUCTURE	Supported USD 5.46 billion in trade and investment related to infrastructure.
6 CLEAN WATER AND SANITATION	Supported USD 1.42 billion in Trade and investment in clean water and sanitation	13 CLIMATE ACTION	Supported USD 7.7 billion in trade and investment related to green projects.
7 AFFORDABLE AND CLEAN ENERGY	Supported USD 57.79 billion in Trade and investment related to the energy sector.	17 PARTNERSHIPS FOR THE GOALS	Established more than 147 partnerships with national ECAs, reinsurers, banks, and other multilateral institutions.

Advancing Food Security and Climate Resilience

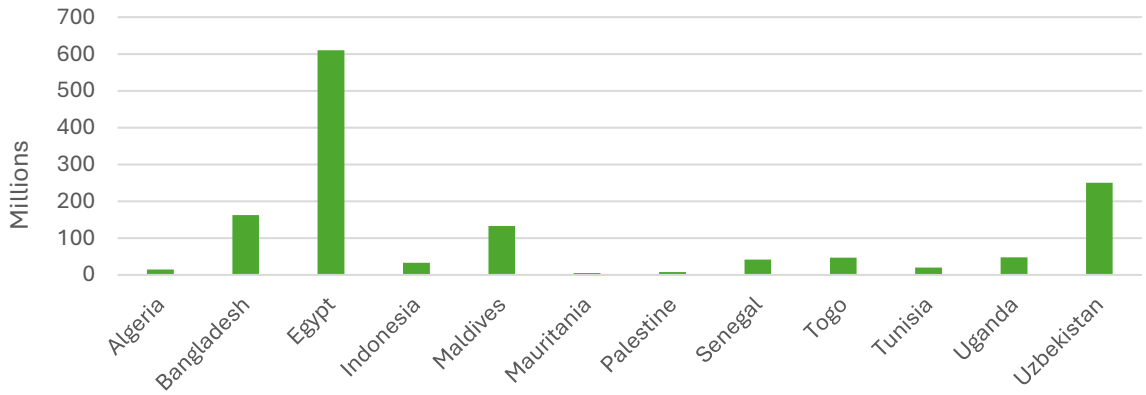
On July 28, 2022, in response to the global food crisis triggered by pandemics and geopolitical shocks, the IsDB Group launched the group-wide Food Security Response Program (FSRP), committing USD 10.5 billion over three years to support affected Member

States. The Program aims to complement national food security efforts, help avert the ongoing crisis, and strengthen long-term resilience across Member States.

From the Program's inception in July 2022 through to the end of 2025, ICIEC has supported its Member States by facilitating critical food-related international trade transactions and foreign investments through Shariah-compliant risk mitigation solutions. Over this 3.5-year period, ICIEC has approved more than USD 1.462 billion in food-related transactions, almost tripling (2.92x) the pledged commitment of USD 500 million.

ICIEC's interventions have benefited vast populations across Sub-Saharan Africa, the Middle East and North Africa, and Asia. Support has included de-risking imports of essential food commodities and agricultural inputs, as well as backing investments aimed at modernizing agriculture and strengthening national and regional resilience against future food shocks.

Figure 4 - FSRP Approvals by Country



From ICIEC's perspective, export credit insurance and political risk insurance are pivotal enablers of climate resilience, playing a decisive role in narrowing the climate-finance gap and supporting Member States as they adapt to, withstand, and recover from the impacts of climate change. ICIEC has a solid track record of facilitating renewable energy projects from solar to wind to waste-to-energy through ICIEC's de-risking tools, thereby contributing to the sustainable development of its Member States.

Through its Shariah-compliant risk-mitigation solutions, ICIEC not only facilitates sustainable trade and investment across the water–energy–food nexus but also enhances countries' ability to build climate-resilient infrastructure, diversify energy systems, strengthen food security, and safeguard critical value chains. Since inception, ICIEC has supported USD 6.8 billion of insurance cover to clean energy projects, reinforcing its commitment to climate action, strengthening collaboration, expanding institutional linkages, and amplifying development impact across its member states.

2.3 Strategic Partnerships and Institutional Networks

ICIEC's reach and operational impact are significantly enhanced by its robust network of strategic partnerships with international organizations, financial institutions, and export credit agencies (ECAs). These collaborations are crucial for coordinating efforts, sharing risks, and

expanding the reach of Shariah-compliant risk mitigation solutions. An overview of key strategic partnerships and institutional networks established or renewed in 2025 is set out in table 3

Table 3: Key strategic partnerships and institutional networks established or renewed in 2025

Partner/network	Nature of agreement/policy	Strategic objective
AFREXIMBANK	Memorandum of Understanding (MoU)	To boost Arab–Africa Trade and Investment by aligning strategic decision-support tools and developing synergies to better serve public and private sector clients. This partnership is a key driver for South-South cooperation.
KazakhExport	Renewal of Quota-Share Treaty Reinsurance Agreement (2025–2026)	To strengthen the long-standing partnership and support the export activities of Kazakhstan, demonstrating ICIEC's role in supporting member country ECAs and promoting intra-OIC trade.
NEXI Nippon Export and Investment Insurance	Amended Memorandum of Understanding (MoU)	To deepen strategic cooperation on blended finance, risk mitigation, and sustainable investment, particularly in shared member countries, facilitating greater Japanese investment and expertise.
AMAN UNION	Transfer of Secretariat Agreement	To smoothly transfer the AMAN Union General Secretariat's functions to Saudi EXIM Bank, ensuring continuity, efficiency, and stronger institutional operations. The agreement aims to reinforce collaboration and enhance the Union's long-term capacity to support regional trade and investment insurance.
شركة التكافل للتأمين TAKAFUL INSURANCE Co.	Facultative Reinsurance Agreement	To strengthen Shariah-compliant export credit insurance in Libya by providing reinsurance capacity to Takaful Libya, thereby supporting Libyan exports and economic stability.
alBaraka	Documentary Credit Insurance Policies	To boost Shariah-compliant trade finance by de-risking Letters of Credit (LCs) issued by Al Baraka Bank Egypt (USD 50 million) and Al Baraka Islamic Bank BSC Bahrain, enhancing trade confidence and supporting exports.
CAGEX ASSURANCE	Renewal of Reinsurance Alliance	To strengthen the reinsurance alliance, deepening cooperation in credit and investment insurance to accelerate trade and investment flows across OIC Member States and empowering the Algerian ECA.

Partner/network	Nature of agreement/policy	Strategic objective
itfc	Documentary Credit Insurance Policy	To provide critical coverage for ITFC transactions, enhancing trade confidence and facilitating smoother financial operations in global trade, strengthening the IsDB Group's integrated approach.
SINO SURE	Memorandum of Understanding (MoU)	To accelerate trade and investment between China and the Islamic World by establishing a transformative framework for cooperation, leveraging the strengths of both institutions to support cross-border projects.

Strategic Reinsurance Partnerships

In 2025, ICIEC continued to strengthen its strategic reinsurance partnerships, reinforcing its role as a trusted multilateral insurer and a key risk-sharing partner for export credit and investment insurance across its Member States and beyond.

Inward Treaty Partnerships with Member States

As part of its mandate to support Member States' export credit ecosystems, ICIEC actively supported inward treaty programs with Export Credit Agencies (ECAs) and local insurers within ICIEC Member States. During the year, ICIEC provided inward reinsurance support to seven ECAs/Exim Banks from Member States, as well as one local credit insurance company in Indonesia, enabling these institutions to enhance their underwriting capacity, improve risk diversification, and expand support for exporters and investors. These inward treaty partnerships reflect ICIEC's commitment to capacity building, knowledge transfer, and the sustainable development of domestic export credit insurance markets within its membership.

Outward Treaty Programs with Global Reinsurers

In parallel, ICIEC successfully renewed its outward treaty reinsurance programs in 2025 on improved and more favorable terms for the Corporation. These renewals were achieved through close collaboration with world-class reinsurers, ensuring robust risk transfer, balance sheet protection, and capital efficiency for ICIEC. The enhanced treaty terms further strengthened ICIEC's ability to support higher volumes of trade and investment transactions while maintaining prudent risk management standards.

Strong Market Demand for Facultative Placements

Beyond treaty arrangements, ICIEC's facultative reinsurance placements continued to attract strong interest from the global reinsurance market. ICIEC risks are highly sought after by top-tier reinsurers operating in the Lloyd's of London market, as well as by leading reinsurers domiciled in Bermuda, the United Kingdom, Europe, and Singapore. This sustained market appetite reflects confidence in ICIEC's underwriting discipline, credit quality, and governance framework, and enables the Corporation to structure large, complex, and bespoke risk solutions in support of Member States' development objectives.

03 FINANCIAL PERFORMANCE AND RISK MANAGEMENT

This section provides an overview of ICIEC's financial performance and the risk and capital management practices that underpin its operations. It highlights how the Corporation balances financial strength, prudential discipline, and effective risk management in support of its development mandate.

3.1 Financial Performance

Corporate net results	Technical results
USD 40.4 million	USD 25.5 million

Financial Results

The corporate net results for the year 2025 amounted to a surplus of USD 40.4 million (2024: USD 24.9 million) representing a 62.5% improvement on last year.

USD millions	2025 (Actual)	2024 (Actual)	YoY Change (%)
Corporate net results	40.4	24.9	62.5%
Policyholders' Fund (PHF) results	25.4	15.8	61.3%
Shareholders' Fund (SHF) net income	15.0	9.1	64.5%

The turnaround in the technical result, which has been consistently positive since 2017, has continued to improve in 2025. The PHF results amounted to a surplus of USD 25.4 million for 2025 (2024: USD 15.8 million). The Result demonstrates a strong and accelerating upward trend, reflecting sustained improvement in revenue growth, improved operational efficiency, and effective financial management.

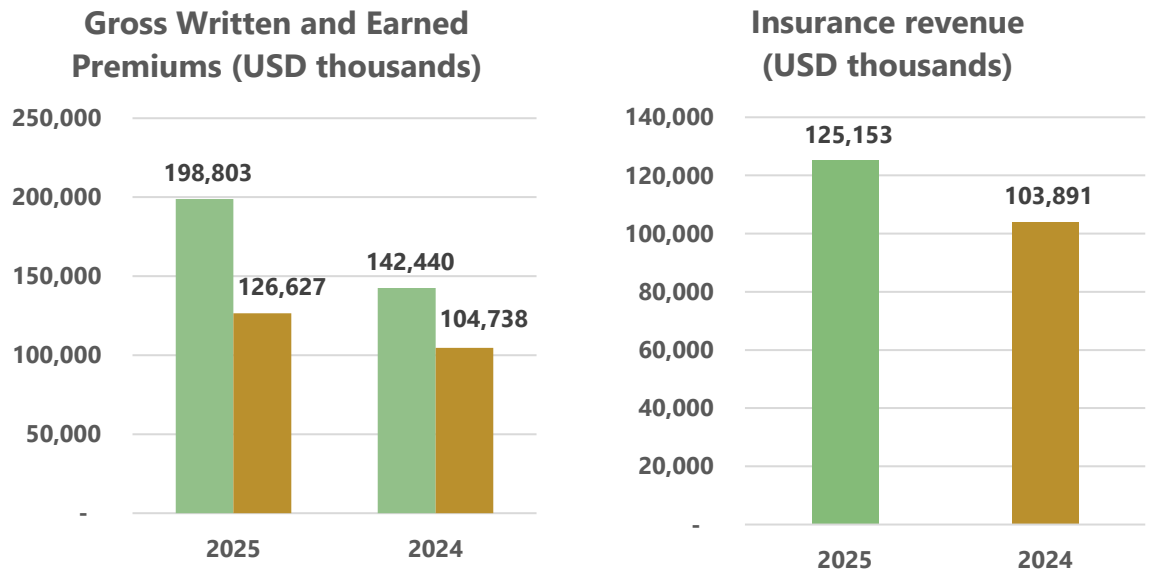
The SHF contributed positively to the overall results with a net income of USD 15.0 million for 2025, representing a 64.5% increase over 2024.

Insurance Revenue

USD millions	2025 (Actual)	2024 (Actual)	YoY change (%)
Insurance revenue	125.2	103.9	+20.5%

Gross Written Premium (GWP) for 2025 amounted to USD 198.8 million (2024: USD 142.4 million). Similarly, the insurance revenue improved by 20.5% in 2025, as the Gross earned premiums improved to USD 126.6 million (2024: USD 104.7 million). The Insurance Revenue for 2025 reached USD 125.2 in 2025.

Figure 5: Gross written and earned premiums



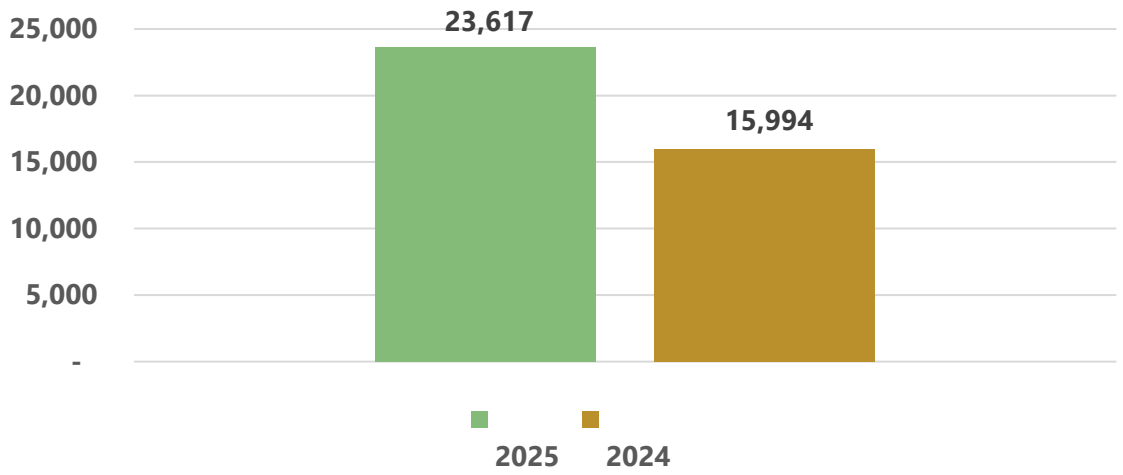
The Corporation continues to cede out higher levels of exposure for some large transactions to balance risks in the face of global economic and geopolitical risks. The ceding of both premiums and exposure allows the maintenance of the headroom limits and capacity constraints in accordance with the ICIEC's Articles of Agreement. Average premium cession on Gross Written Premiums reached 81.7% in 2025.

Insurance Service Results

USD millions	2025 (Actual)	2024 (Actual)	YoY change (%)
Insurance service results	23.6	16.0	+47.7%

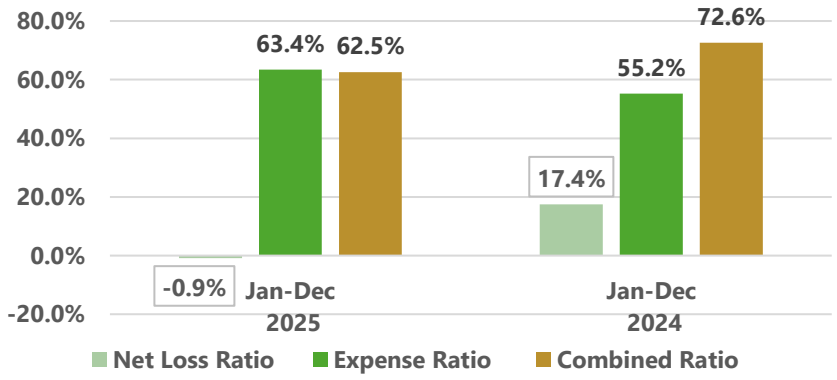
The insurance service result improved to USD 23.6 million, improving by 47.7 % in 2025.

Figure 6: Insurance services result (USD thousands)



Total operational expenses and claims amounted to USD 30.8 million, which is 4% lower than 2025. The net claim expense for 2025, after reinsurance recoveries and adjustment for claim related technical reserves, resulted in a reversal and amounting to USD 0.4 million which is a 106 % variance on 2024.

Figure 7: Operational ratios (Net)



-*Net Loss ratio = (Net Claims Incurred / Net Earned Premiums + Commission Income)

-*Net Expense ratio = (Acquisition + G&A expenses / Net Earned Premiums + Commission Income)

Prudent underwriting and tight cost control contributed to efficient operational ratios.

- The net loss ratio for 2025 stood at an extremely efficient level of -0.9% (2024: 17.4%).
- The net expense ratio and combined ratio for 2025 were 63.4% and 62.5% respectively (2024: 55.2% and 72.6% respectively).

The Net Investment income (after impairment provisions adjustments) for the year amounted to USD 23.9 million with 42% improvement on last year (details can be seen in next section).

Income from Investment Activities

The overall gross income from investment activities reached a record level of USD 21.8 million in 2025, a 17% increase compared to the year 2024 (18.6 million). SHF gross investment income for 2025 amounted to USD 15.9 million, a 12% increase above comparative period returns, which amounted to USD 14.2 million. PHF also generated a surplus of USD 5.9 million, the highest for the fund since its inception, and represents a 36% growth when compared to the corresponding period in 2024 (USD 4.3 million).

(USD millions)	Jan-Dec 2025 Actual	Jan-Dec 2024 Actual	% Growth
Equity and fund	1.0	0.9	11%
Money market placement	5.6	6.7	-17%
Sukuk	15.2	10.8	40%
Syndication	0.0	0.1	-95%
Total	21.8	18.6	17%

In 2025, ICIEC's income from sukuk investments significantly increased by 40% compared to the year-end 2024, yielding USD 15.2 million. In anticipation of a decline in profits due to expected interest rate cuts, the Corporation strategically opted to increase its sukuk portfolio in 2025, locking in income for the coming years. Income from syndications declined by 95% due to a deliberate reduction in exposure to high-risk assets to mitigate credit risk amidst tight financial conditions.

Consequently, Money Market Placements continue to be the second contributor to the investment income with USD 5.6 million in 2025, 17% lower when compared to 2024 corresponding period. The decline was due to higher allocation to sukuk investments and lower profit rate due to rate cuts by the Fed. Equity funds contributed USD 0.9 million to the period's income, with a marginal increase of approximately 11% compared to 2024.

ICIEC’s assets-under-management reached USD 555 million as of December 31, 2025 (the average across the year amounting to USD 516.7 million), generating a total of USD 21.8 million in gross income.

USD millions	Dec-25	Dec-24
Invested funds*	477.3	399
Total Assets Under Management (AUM)*	516.7	435
Gross investment income	21.8	18.6
Return on invested funds (%)	4.6%	4.7%
Return on total AUM (%)	4.2%	4.3%

*Average during the period

Investment Strategy and Outlook

ICIEC's investment approach is a liability driven strategy to ensure that ICIEC can meet its claims and other obligations. It is guided by Shariah principles and the Corporation investment guidelines which is built on three key pillars: i) capital preservation, ii) liquidity, and iii) maximizing returns within risk tolerance.

The investment climate for 2025 was characterized by heightened trade tensions and elevated geopolitical risks. While a slowing Chinese economy and the divergence in global monetary policies created headwinds, massive growth in Artificial Intelligence spending provided a significant counterweight. To manage shifting inflation expectations and support growth, the Federal Reserve eased its stance, leading to a cumulative decline in interest rates of approximately 75 to 100 basis points over the easing cycle.

The ICIEC's portfolio remained resilient due to a proactive approach by factoring expected dynamics into investments strategy, focusing on low-risk investments, stringent guidelines, and emphasis on liquidity and safety. Investment in Sukuk, Commodity Murabaha and Wakala investments remain the core asset classes for enhancing returns.

Looking ahead to 2026, ICIEC is committed to its investment philosophy and well positioned to remain resilient and adaptable to global economic changes, ensuring agility in navigating emerging challenges and opportunities.

Statement of Financial Position—Highlights

ICIEC recorded a strong and well-structured expansion of its asset base, reflecting the successful scaling of operations alongside the sustained strength of the Statement of Financial Position. The total assets of the Corporation reached USD 773.8 million (YE-2024: USD 618.3 million) +25.2%, with treasury and investments (net) comprising most assets at USD 554.0 million (YE-2024: USD 475.0 million).

Growth in the insurance contract liabilities (+35.2%) and reinsurance contract assets (57.1%) increased, reflecting higher underwriting volumes, longer-tenor transactions, and effective use of reinsurance to support growth in a capital-efficient manner.

PHF demonstrates a major structural turnaround, with the accumulated deficit improved by 130.5% and turned to an accumulated surplus of USD 5.9 million at the end of December 2025 (YE-2024: Deficit USD 19.5 million). This shift indicates that technical performance, risk management actions, and improved claims experience have translated into a sustainably healthier position.

The increase in share capital in 2025 reflects the launch of the 3rd General Capital Increase (GCI), which is now being implemented and will continue expanding ICIEC's capital base in the coming years, reinforcing long-term financial resilience and capacity to support member states.

Total equity of the Corporation improved by USD 60.8 million, representing a 19.2% improvement at the end of December 2025 compared to the year-end 2024, reaching USD 378.1 million. Share capital subscriptions of USD 19.8 million were received during 2025.

3.2 Risk Management and Capital Optimization

ICIEC has established a sophisticated, forward-looking risk and capital management framework that balances its developmental mandate with financial discipline. Through integrated Enterprise Risk Management (ERM), risk-based pricing, stress testing, capital planning, and strategic reinsurance, the Corporation seeks to maximize its impact in Member States while safeguarding its capital strength.

The Corporation' s ERM framework is embedded within its governance structure, ensuring rigorous identification, assessment, and monitoring of risks across all business lines. ICIEC has modernized its risk architecture through an updated Risk Appetite Statement (RAS 2.0) and Risk Management Framework (RMF 2.0), supported by enterprise-wide analytics, forward-looking portfolio management, and enhanced stress-testing capabilities. This positions the risk function not only as a control mechanism but also as a strategic enabler of sustainable growth.

Capital planning is tightly integrated with risk management, guided by a risk-based capital framework that prioritizes optimization, preservation, and efficient deployment of capital. ICIEC maintains dedicated risk-capital buffers and conducts frequent solvency assessments to ensure underwriting growth remains aligned with risk appetite. The Third General Capital Increase has strengthened its risk-bearing capacity, while reinsurance and retakaful arrangements–sourced from highly rated counterparties–provide additional balance sheet flexibility and concentration risk mitigation.

ICIEC applies Risk-Based Pricing (RBP) and IFRS 9-aligned reserving methodologies to ensure that premiums, provisions, and underwriting exposures reflect underlying credit and political risks. Its risk framework also incorporates climate and sustainability considerations, guided by the 2024 Climate Change Policy, integrating climate risk into underwriting, capital planning, and portfolio allocation. Preferred credit status within the IsDB Group further enhances the quality of its portfolio.

The Corporation continues to strengthen capital efficiency and strategic portfolio steering through advanced economic-capital modelling, high confidence-level solvency targets, and the Risk Perception and Portfolio Direction (RPPD) tool. RPPD enables risk-based capital allocation by classifying markets across risk clusters and aligning portfolio direction with

macroeconomic, geopolitical, and credit-risk signals. Multi-year forward-looking capital assessments ensure alignment with the IsDB Group's strategic planning horizon.

Risk-sharing and partnerships remain central pillars of ICIEC's strategy. By collaborating with reinsurers, ECAs, and MDBs, ICIEC expands its underwriting capacity and supports complex transactions without over-concentrating risk. Examples include co-insurance and partial credit guarantee structures, such as the EUR194 million ESG-linked partial credit guarantee (PCG) with the African Development Bank, which leverage ICIEC's capital and catalytic role to mobilize sustainable development finance.

04 Highlights of ICIEC's Performance for the 1st Half of 2026

Operations Results – H1-2026 Vs H1-2025

Main Business Indictors (USD Mn.)	*H1-2026 Actual*	*H1-2025 Actual*	*% Growth*
New Commitments*	3,747	3,373	11%
Business Insured**	10,647	7,711	38%

**The amount of new insurance approvals issued by the Corporation during a certain period and the amount of enhancements made to the existing approvals during a certain period.*

***The sum of the actual business covered by the Corporation during a certain period for which the Premium has been invoiced.*

During the first half of 2026, ICIEC demonstrated strong operational performance with substantial year-on-year growth across key business indicators. New commitments reached $3.75 billion, an increase of 11% compared to the same period in 2025. The portfolio mix shifted toward long-term and investment-related activities, with Foreign Investment Insurance (FII) accounting for 66%, short-term (ST) for 30%, and medium-term (MT) for 4%.

Business insured totaled $10.65 billion, compared to 7.7 billion for the same period last year, marking a 38% rise and achieving 75% of the 2026 annual target. Short-term grew by 22% to $5.92 billion, while the combined MT and FII lines increased by 65% to $5.48 billion. The portfolio-mix of the Business Insured for the Six-Month Period ended 30th June 2026 is comprised of 56% Short Term, and 44% combined Medium Term and Foreign Investment Insurance, while it was 63% and 37% respectively during the same period of last year.